

Document No. 5NO CHANGE in Class. ☒☒ DECLASSIFIED

Class. CHANGED TO: TS S a

DDA Memo. 4 Apr 77

Auth: DDA REG. 77/1763

Date: 13 Apr 78 By: 024

SECRET/Next Review Date: 2008

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CENTRAL INTELLIGENCE GROUP  
INTELLIGENCE REPORT

COUNTRY Spain

SUBJECT Statements of a Spanish Monarchist in  
Portugal

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ORIGIN  
25X1XDATE: ~~CONFIDENTIAL~~  
INFO. [REDACTED]

DIST. 18 April 1947

PAGES 3  
SUPPLEMENT

The following is an account of replies made shortly before 14 March 1947 by a Spanish monarchist in Lisbon who is close to Don Juan to questions concerning the organization and administration of the monarchist groups, and in particular to the following charges which have been made against the monarchists inside and outside Spain:

Indifference to monarchy because the monarchists, including the Pretender himself, were quite content to sit back and wait until in due course the monarchy was restored by General Franco.

The secret desire on the part of the Pretender and his advisers to come to an agreement with General Franco for restoration of the monarchy without the support of anti-Franco elements.

Lack of unity among monarchists, each group endeavoring to secure all future advantages for itself.

1. As to the first charge, the Pretender has made it clear since 1942 that he was not prepared to accept responsibility for General Franco's regime, and that neither was he prepared in any way to become the head of a fascist state in succession to General Franco. His manifesto of 19 March 1945 made this position abundantly clear. It would be difficult, however, for monarchists in general to prove that this charge is without foundation as against them and not the Pretender, although some monarchists in exile, and a few inside Spain, such as General Kindelan, can be excepted. Don Juan's manifesto was received with hostility in 1945. Official propaganda has been so effective that any criticism of General Franco was interpreted as a bid for left-wing collaboration and as submission to the Anglo-Saxons and to Soviet Russia. Events, however, have proven that the Pretender was right, and many people who criticized him then now seem to be prepared to accept his indictment of Franco. Developments of the past few months show that the Pretender is reaping the benefit of what so many people, inside and outside Spain, termed a disastrous policy. Left-wing elements have opened conversations with Don Juan on the strength of the fact that he never accepted solidarity with General Franco. Some right-wing elements are now looking to Don Juan as a possible link between them and those of the moderate left.

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2. As to the second charge, under the influence of official propaganda and also on the strength of insinuations often made by Franco that he would some day restore the traditional institutions of Spain, many Spanish conservative elements felt, and some of them feel even now, that Don Juan should wait until Franco placed him on the throne of his forefathers. Also, Franco convinced many people that there would be a war between the United States and Russia, and that he would be hailed as the champion of Western civilization. His financial difficulties would then vanish, he would receive a huge loan, and Spain would be flooded with goods and money from the United States. Why challenge a leader who was in such an advantageous position? Let him carry on. The fact that so far no such loan has been granted and Franco's financial difficulties are increasing every day has shaken many people, especially bankers, out of their previous attitude, and, quite apart from such revealing symptoms as the demonstrations which took place last month, there is growing evidence that the conservative classes are ebbing away from Franco. They are beginning to realize that Franco paves the way to communism through his mismanagement of public finance and his encouragement of the black market. The only way out, in their eyes, is a regime which is more congenial to the Western Powers. If there is to be a war with Soviet Russia, then the United States and Great Britain will be anxious to avoid being open to the charge by their own public opinion of protecting a survivor of Hitler and Mussolini. So much for Franco's claim to be the defender of Western civilization.
3. The charge of lack of unity applies especially to people like Gil Robles, General Aranda, General Beigbeder, Count Rodezno and General Kindelan, who, although disagreeing with General Franco, could not agree among themselves as to the best methods of removing him. The charge was absolutely true until a fortnight ago, when a federation of monarchist forces was set up with a committee whose mandate was to negotiate with the moderate left wing. Its purpose was to put an end to General Beigbeder's incursions into party politics. After having floundered for a week, General Beigbeder himself has accepted the authority of this committee and at the present moment negotiations are going on inside and outside Spain with the Socialists and with the syndicalists, on the one condition that there be no contacts, direct or indirect, with the Communist Party inside or outside Spain.
4. On 10 March 1947, Don Juan's council met in Estoril to consider the situation. The following people were present:

The Conde de los Andes, a constitutional monarchist.

Former Minister of Finance Wais, a constitutional monarchist.

Former Minister for Foreign Affairs Gonzalez Montoria, an international jurist. He represents a group of moderate military chiefs and was the adviser of the late General Jordana.

Professor Pemartin of Madrid University, a Catholic leader.

Jose Maria Gil Robles, the leader of the Catholic Center.

Pedro Sainz Rodriguez, a constitutional monarchist.

Julio Lopez Olivan, former registrar of the Hague Court and former Republican Ambassador in London.

Conde de Rodezno, one of the traditionalist leaders.

Eugenio Vegas Latapie, a traditionalist leader.

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Juan Ventosa and the Duke of Alba were refused exit visas.\* General Kindelan and the Archbishop of Valencia did not even think it worth their while to apply for exit visas, in view of their position vis-a-vis Franco. The Conde de Rodezno at first was refused permission to leave Spain, but later Franco summoned him saying that he had reconsidered his decision and was permitting him to leave. Franco's action in treating the case in this manner, obviously an attempt to ingratiate himself in the eyes of the monarchists, did not produce the desired results. Don Juan upon hearing the story from Rodezno stated, "It was as great an insult as a man can receive."

5. The council agreed to give Don Juan a full vote of confidence to carry out whatever conversations he deemed fit with the left-wing parties or with foreign powers. In the meantime, the different propaganda leaflets, which have been coming out in the last three months, show that there is a greater effort of propaganda and a greater unity among the different monarchist groups.

6. Don Juan's position can be summed up briefly as follows:

He will not go back to Spain unless he is satisfied that whatever powers he receives from the military elements, from the republican elements, or from any other elements, inside or outside the country, are confirmed by the plebiscite.

As has already been made clear above, he will not allow any member of a monarchist party to have dealings of any kind with the Communist Party; that is the reason why he will never recognize the Republican Government-in-Exile as a party to any negotiation. However, he is quite ready to talk to some of the organizations - the purely republican parties, the Socialist Party, and the syndicalist organization - which are represented in the said government.

He will not allow any monarchist to accept government appointed posts from Franco; whoever accepts such a post is automatically regarded as no longer a follower of Don Juan in the strict sense of the word. He made this position clear to Nicolas Franco, Spanish Ambassador to Portugal and brother of the General, in the conversation he had with him on 11 March 1947, as he had on previous occasions, especially 23 December 1946, when he refused to let his eldest son be taken to Spain and educated there under the auspices of General Franco.

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Comment:

According to the 22 March issue of L'Espagne Republicaine, Spanish emigre newspaper in France, the Duke of Alba and Ventosa finally succeeded in securing exit visas, arriving in Lisbon at the end of the meetings. The press dispatch also mentions the arrival in Lisbon of Jose Larraz, former Minister of Finance.

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